transmission and distribution (ST&D), metering and DMS/SCADA projects amounting to Rs. 737.97 crores for Upgradation of sub-transmission and distribution in the State of Bihar. Further, Government of Bihar and Bihar State Electricity Board have signed the Memorandum of Understanding and Memorandum of Agreement with the Government of India to implement the power reforms in a phased manner.

(iv) A scheme amounting to Rs. 365 crores for improvement of sub-transmission and distribution system in Bihar with a special grant to be made available by the Planning Commission under special economic package for Bihar, (after its bifurcation), has been agreed to.

Private participation in power sector

378. SHRI C. RAMACHANDRAIAH: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that despite the aggressive reforms and encouragement by the Governments, the growth of private sector in power sector is very slow;

(b) if so, the reasons therefor;

(c) the State-wise details of the capacity addition by private sector since 1991.

(d) whether it is also a fact that private sector could not realize its target in Ninth Plan and in the first year of Tenth Plan;

(e) the reasons for the slippage of the target; and

(f) the steps being taken by Union and State Governments to clear the road blocks for greater private participation?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) The main reasons for slow growth of private sector in power sector are indicated below:-

(i) Failure to achieve financial closure inspite of good progress on other fronts due to insistence by the financial institutions on State

Government guarantees, Escrow Cover, etc., considering the poor financial condition of the State Electricity Boards/Transmission companies

(ii) Delay in finalization of various contracts such as Power Purchase Agreement, Implementation Agreement, Fuel Supply Agreement and Fuel Transportation Agreement, etc

(iii) Court cases/litigation in the form of public interest petition, etc.

(iv) Increase in the prices of liquid fuels such as naphtha

(v) With drawal by equity holders and EPC (Engineering, Procurement & Construction) contractors.

The situation is expected to improve once the State owned utilities turn around and become financially sound

(c) As per available information, a total capacity to the tune of 7366cMW has been added The State-wise details are indicated below.-

(i)	Gujarat	-	1587 MW
(ii)	Maharashtra	-	1570 MW
(iii)	Andhra Pradesh	-	1032 75 MW
(iv)	Goa	-	48 MW
(v)	Assam	-	24 5 MW
(vi)	Haryana	-	25 MW
(vii)	A&N Islands	-	20 MW
(viii)	West Bengal	-	635 MW
(ix)	Madhya Pradesh	-	13 5
(x)	Karnataka	-	607 1
(xi)	Tamil Nadu	-	992 16
(xii)	Himachal Pradesh	-	386
(xiii)	Jharkhand	-	240
(xiv)	Kerala	-	185

(d) Yes Sir.

(e) The main reasons are already given in the reply to (b) above. In the first year of the 10th Plan, the Dabhol power plant, phase-II (1444 MW), which was at an advanced stage of implementation, could not be commissioned on account of disputes and subsequent legal proceedings between the Maharashtra State Electricity Board and M/s. Dabhol Power Company.

(f) In addition to assisting the State Governments in the reform and restructuring of their power sector and providing assistance under programmes like the Accelerated Power Development Reforms Programme (APDRP), financing of power projects based on reforms linked mile stones has been envisaged. The Government is also providing funds to private sector through the Rural Electrification Corporation and Power Finance Corporation in order that a good project with reasonable tariff is not hampered on account of lack of funds. Some of the State Governments have now started providing suitable payment security mechanism for the private power projects. The new Electricity Act, 2003 will also promote private sector investment in power.

Power capacity addition during Tenth Plan

379. SHRI C RAMACHANDRAIAH: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that only 2958 MW of additional capacity had been provided in the first year of Tenth Plan against the plan target of 41,000 MW;

(b) if so, the reasons for the dismal performance in the capacity addition;

(c) the sector-wise and State-wise break-up of the additional capacity added in first year of the Tenth Plan; and

(d) the road map to realize the Tenth Plan target?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) Against a capacity addition target of 4087 MW set for 2002-03, a capacity of 2858 MW has been added during the first year of the 10th Plan. Shortfall in achieving the set target has been mainly due to non-commissioning of Dabhol CCPP